

## **Introduction**

The Sturgis Liquor store is an invaluable department within the City of Sturgis. Currently, the Store is seeking a qualified marketing firm to develop a marketing strategy which will seek to enlarge the out of town customer base while maintaining the loyalty of the Sturgis community. The selected marketing firm shall place an emphasis on increasing the profitability of the store. The proposal shall clearly include the following:

1. Any and all monthly retainer costs
2. Production fee for all forms of advertising
3. Any additional administrative or professional fees or markups added onto actual costs of outside third parties.

The following details are required of the selected marketing firm and shall be used to form the basis of the Professional Agreement between the City of Sturgis and the selected marketing firm.

### **1. General Duties**

The advertising agency shall perform the duties generally expected of an advertising agency - client relationship. These duties shall include, but are not limited to conceiving, executing and managing the marketing campaign(s) of Sturgis Liquor. The advertising agency shall manage the advertising budget and negotiate all media contracts and printing to be charged against it. The advertising agency will manage and negotiate all media-related sub-contractors, including all printing, signage, and provide all graphic design services.

The advertising agency may perform some limited production services that will be billed in addition to the compensation as outlined below. These services generally involve printing and are in addition to the services typically performed by advertising agencies. Examples of these services include, laminating, poster printing and color copies. These services will be performed at a discounted rate that is less expensive than Sturgis Liquor would incur by utilizing other printers in the market.

### **2. Compensation**

As consideration for services performed, a monthly retainer agreed upon by both the advertising agency and Sturgis Liquor will be submitted for approval.

The advertising agency shall forward an itemized bill to Sturgis Liquor for reimbursement against all media placement, production and printing incurred in the previous month. Such expenses shall be incurred in direct relation to the approved budget. The advertising agency shall invoice Sturgis Liquor on or about the first of each month and receive payment on terms of net 30 days.

### **3. Term**

The contract shall commence on March 1, 2012 and continue through February 28, 2013. Either party may terminate this agreement upon no less than thirty (30) days written notice delivered via certified United States Mail with return signature requested.

### **4. Exclusivity**

The advertising agency agrees that it will not, during the term of this contract, perform a similar service for any other liquor store.

## **5. Budget**

The advertising agency shall manage the advertising budget for the marketing efforts of Sturgis Liquor. Once Sturgis Liquor approves the budget, the advertising agency shall begin scheduling advertising against the budget and billing Sturgis Liquor as described in the above paragraph. The advertising agency shall have the latitude to reasonably adjust the budget as circumstances warrant with approval by Sturgis Liquors, so long as the total dollars placed or billed do not exceed the approved budget total.

## **6. Property Rights**

The parties agree that all intellectual property developed by The advertising agency on behalf of Sturgis Liquor will become the exclusive property of Sturgis Liquor upon first use by Sturgis Liquor. The advertising agency may, from time to time, request permission from Sturgis Liquor to make a product or concept available to similar institutions with locations not less than a 100-mile radius from Sturgis Liquor. Such requests will not be unreasonably withheld.